

## **CL-SCP123: FORMATIVE ASSESSMENT 5**

UNIT STANDARD: 120115

Santam is an authorised financial services provider (licence number 3416)





## TREATING CUSTOMERS FAIRLY

Santam recognises the importance of ensuring fair treatment to customers throughout the customer relationship life cycle. We believe that the principles of Treating Customers Fairly (TCF) are already embedded in the Santam culture through our brand promise of "Insurance good and proper". All business decisions are made in full regard of the fair treatment of customers, and we believe that all clients must realise value in their insurance purchase.

This training material is designed and developed in accordance with those TCF principles and is intended to provide the learner with sufficient knowledge and understanding in order for he/she to appropriately, effectively and fairly advise the customer.





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## **US120115 ASSESSOR FEEDBACK**

TOTAL /78
PERCENTAGE

# **OVERALL RESULTS**

C NYC

# **ASSESSOR DETAIL**

Assessor name and surname:

Assessor signature:

Date:

Comments:

# **MODERATOR DETAIL**

Moderator name and surname:

Moderator signature:

Date:

UPHELD OVERTURN

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# **INTRODUCTION**

Below is the current schedule of Mr. X – the owner of Segers Superette and Take Aways.

The policy is now due for renewal, and you visit Mr. X at his premises to discuss the new terms and conditions. Mr. X also has some questions that he wants you to answer.

Study the schedule, and then answer the questions, relating to the risk.

### SA VERSEKERINGSMAATSKAPPY / INSURANCE COMPANY

Mr X Reference: 5555

110 Durban Road

Durbanville

7550

Policy number: 123456789 Segers Superette & Take Aways

Dear Sir

It is our pleasure to include with this a copy of your policy.

Yours sincerely

Head of Underwriting





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### **SCHEDULE**

# **SA**VERSEKERINGSMAATSKAPPY INSURANCE COMPANY

Insurer: SA Insurance Company
Product: Santam Commercial

**Insured:** Segers Superette & Take Aways

110 Durban Road

Durbanville

7550

Business: Café and Take Aways

Agency: XYZ Brokers

Agency number: 00001

Manner of payment: Monthly debit order in advance

**Institution:** Absa

Date of payment: 1st day of the month

Insured period: 1 January 2004 to 31 January 2004

Any consecutive period of one calendar month to which the company agrees to renew the policy or any section of

it.

Office: Durbanville

Signed at Durbanville on 3 January 2004.



On behalf of the insurer







### **SCHEDULE SUMMARY**

# **SA**VERSEKERINGSMAATSKAPPY INSURANCE COMPANY

EFFECTIVE SECTIONS	ADDITIONAL / REFUND PREMIUM	RENEWAL PREMIUM	
		Monthly	Annually
Fire	0,00	R670,00	R8 040,00
Theft	0,00	R333,33	R4 000,00
Money	0,00	R 33,33	R 400,00
Glass	0,00	R 20,00	R 240,00
Public Liability	0,00	R166,67	R2 000,00
Broker's fee		R 15,00	R 180,00
Total premium (14% VAT included)	0,00	R738,33	R8 860,00

After inception of cover, this schedule will become a tax invoice for the payment of the amount due

(VAT number: 1234).

Prescription date: 1 January 2014

Policy number: 123456789

Insured: Segers Superette & Take Aways

**Effective date:** 01/01/2014

#### **ENDORSEMENTS APPLICABLE TO MONTHLY POLICY**

(Endorsements attached to policy and which form part of it)

Section Reference

General 001 Adjustment of premium clause

Fire N.A.

Theft

Money N.A. Glass N.A.

Public Liability

(Claims made basis) 112 Extension: Products liability

113 Extension: Wrongful arrest and defamation

#### **GENERAL PROVISION**

If, in the schedule of this policy, the sum insured, limit of indemnity or compensation is:

- left blank or has no monetary amount stipulated against it;
- reflected as nil or not applicable or not covered or no indemnity extended;

it means the defined event or circumstance shown in the schedule is not covered by the policy.



# **SA**VERSEKERINGSMAATSKAPPY INSURANCE COMPANY

#### **SECTION FIRE**

Policy number: 123456789

**Insured:** Segers Superette & Take Aways

Transaction number: Effective date: 01/01/14

STAND NO. DETAILS OF PREMISES/ITEM DESCRIPTION SUM INSURED/INDEMNITY LIMIT

1 110 Durban Road, Durbanville

 Building
 R1 500 000

 Stock in trade
 R 200 000

 Equipment
 R 300 000

 Signage
 R 10 000

Construction: Standard

Occupation: Café and Take Aways

#### OPTIONAL EXTENSIONS APPLICABLE

Extension: Earthquake
Extension: Special perils
Extension: Malicious damage

Extension: Leakage

Extension: Escalator clause

#### **MEMORANDUMS**

N.A.

#### OPTIONAL EXTENSIONS NOT APPLICABLE

Extension: Riot and strike

Extension: Subsidence and landslip Clause: Stock declaration conditions

Clause: Disposal of salvage







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### VERSEKERINGSMAATSKAPPY **INSURANCE COMPANY**

#### SECTION THEFT

Policy number: 123456789

Insured: Segers Superette & Take Aways

Transaction number: Effective date: 01/01/14

STAND NO. DETAILS OF PREMISES / ITEM DESCRIPTION SUM INSURED / INDEMNITY LIMIT

110 Durban Road, Durbanville

First loss cover R50 000

Excess: 10% of claim min R500 Construction: Standard

OPTIONAL EXTENSIONS APPLICABLE

Keys and locks: R2 500

**MEMORANDUMS** 

Memo 1: Limit on tobacco and cigarettes: R10 000. Memo 2: Condition 2: Burglar alarm (siren type).

OPTIONAL EXTENSIONS NOT APPLICABLE

Buildings - Increased limit

### VERSEKERINGSMAATSKAPPY **INSURANCE COMPANY**

#### **SECTION GLASS**

Policy number: 123456789

Insured: Segers Superette & Take Aways

Transaction number: Effective date: 01/01/14

STAND NO. **DETAILS OF PREMISES / ITEM DESCRIPTION** SUM INSURED / INDEMNITY LIMIT

110 Durban Road, Durbanville

Limit R3 000

Excess: 10% of claim min R250

OPTIONAL EXTENSIONS APPLICABLE

Special replacement

**MEMORANDUMS** 

N.A.

OPTIONAL EXTENSIONS NOT APPLICABLE

Riot and strike extension







## VERSEKERINGSMAATSKAPPY INSURANCE COMPANY

#### **SECTION MONEY**

Policy number: 123456789

Insured: Segers Superette & Take Aways

Transaction number: Effective date: 01/01/14

STAND NO. **DETAILS OF PREMISES / ITEM DESCRIPTION** SUM INSURED / INDEMNITY LIMIT

110 Durban Road, Durbanville

Limit Indemnity limit

1. Money which is not kept in a locked safe or strongroom

> While it is on the insured premises, after the insured's trading hours: R3 000

While it is in the dwelling of the insured, a partner,

director or employee of the insured; R3 000 (iii)

While it is on the insured premises, in the safekeeping of one or more of the petrol attendants; and R .....

While (iv)

(ii)

It is in the safekeeping of one or more collectors (a) or delivery people; R .....

(b) It is in the safekeeping of a partner, director or employee of the insured who is on a business trip any place in the world and away from the insured

premises. R3 000

2. Money kept in a locked safe or strongroom in a building on the insured's premises after the insured's trading hours.

(i) With regard to the safe or strongroom as described below:

R .....

(ii) With regard to any safe or strongroom which is not specified in 2(i) above, the limit in relation to the grading of such a safe or strongroom will be determined as follows:

No SABS grading R 5000

SABS category 1 grading R 10000 SABS category 2 grading R 20 000

SABS category 2 grading HD grading D3 R 40 000

SABS category 2 grading ADM grading R 100 000

SABS category 2 grading ADM grading D3 R 125 000

SABS category 3 grading R 175 000

R 350 000 SABS category 4 grading

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SABS category 5 grading



R 500 000



3. With regard to any other loss of or damage to money during the period described below, the indemnity limit for money related to the specified insured premises will read as follows:

#### Main limit:

During December or any mentioned period
 R 5 000

any other period
 R 5 000

With regard to the loss of crossed cheques, crossed bills or crossed postal orders.

(The indemnity limit below is payable above the indemnity

limit shown in 1, 2 and 3.) R100 000

Details Indemnity limit / Compensation

Clothing R3 000
Containers R2 000
Keys and locks R3 000

#### OPTIONAL EXTENSIONS APPLICABLE

Personal accident (assault) extension

Capital sum R10 000
Weekly sum R 100
Medical costs R 1 000

Number of persons 3

#### **MEMORANDUMS**

Excess: 5% of claim min R500

#### OPTIONAL EXTENSIONS NOT APPLICABLE

Riot and strike extension







# **SA**VERSEKERINGSMAATSKAPPY INSURANCE COMPANY

#### SECTION PUBLIC LIABILITY

Policy number: 123456789

**Insured:** Segers Superette & Take Aways

Transaction number: Effective date: 01/01/14

STAND NO. DETAILS OF PREMISES / ITEM DESCRIPTION INDEMNITY LIMIT

1 110 Durban Road, Durbanville

Claims made basis R2 000 000

Excess: 5% of claim minimum R1 000 / maximum R25 000

Retrospective date: 01/01/2010

OPTIONAL EXTENSIONS APPLICABLE

Products liability R500 00

Products: Take aways and baked products

Legal defence costs R 10 000

Wrongful arrest and defamation

per eventR 50 000

per annual insurance period
 R100 000

**MEMORANDUMS** 

Excess with regard to products liability: 10% of claim minimum R2 000 and with a maximum of R25 000





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Activity 1 (10)

#### (US120115;S01;AC1)

Mr X firstly wants to know why his building is covered under the Fire section and not the Buildings Combined section.

- 1.1 Explain the difference between the Fire section and the Buildings Combined section. (8)
- 1.2 Confirm if Mr X has been insured on the correct section. (2)

1.1	 	 
1.2		
1.2	 	 

Activity 2 (15)

#### (US120115;S01;AC2)

Explain under which section(s) the following assets are covered, and name two perils covered under the section.

- 1. Equipment. (3)
- 2. Theft of money. (3)
- 3. Burglary where stock was stolen. (3)
- 4. Breakage of windows of the shop. (3)
- 5. Money payable to someone that got food poisoning. (3)




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4.	
5.	
	tivity 3 (14)
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	Sum insured on money (2)	
6.	Sum insured for seasonal period on money (2)	
7.	Glass section (2)	
Αd	ctivity 4	(6
(US1 (US1 (US1	20115;S02;AC1) 20115;S02;AC2) 20115;S02;AC3) 20115;S02;AC4)	
Disc	uss where to insure stock, liability and loss of profit, and explain why they are covered differently.	
A	ctivity 5	(5
	ctivity 5 20115;S03;AC1)	(5
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(US1	20115;S03;AC1)	(5
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(US1 Cons (a) (b)	20115;S03;AC1)  sidering the processes involved when operating a take-away business.  Classify if such a fire risk is high / medium / low? (1)	(5
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(US1 Cons (a) (b)	20115;S03;AC1)  sidering the processes involved when operating a take-away business.  Classify if such a fire risk is high / medium / low? (1)  Give reasons for your answers. (4)	
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(us1) Cons (a) (b) (a) (b)	20115;S03;AC1)  sidering the processes involved when operating a take-away business.  Classify if such a fire risk is high / medium / low? (1)  Give reasons for your answers. (4)	

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# Activity 6 (13)

#### (US120115;S03;AC2)

Mr X informs you that he wants to start fetching his own stock, as the delivery is sometimes late and causes him to lose money if he can't provide his customers with what they want. This would include stock for his superette as well as the take away business.

He heard of Goods in Transit cover, but not sure if this is what he would need. (5)

Explain to Mr X which two risks /	commodities could be seen	as high risks when	insuring Goods i	n Transit (2),	and give
a reason for your answer. (1)					

Also explain to Mr X whether he would need the cover or not, and which cover is available. (5)		









Activity 7 (45)

(US120115;S04;AC1) (US120115;S04;AC2) (US120115;S04;AC3) (US120115;S04;AC4)

4	
1.	What sections does Mr X currently have, and what insured perils are covered under each of the sections? (10)
2.	State two evaluations applies his to two of the specians as answered in Question 1
	State two exclusions applicable to two of the sections as answered in Question 1. (Remember to name the section as heading, followed by the answer). (10)
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State (Rem	State two two optional covers applicable to two of the sections as answered in Question 1. (Remember to name the section as heading, followed by the answer). (20)			
Wha	t are the specific <b>terms and conditions</b> applicable to:			
(a)	Glass section regarding type of glass we will insure? (1)			
(b)	Theft section regarding burglar alarms? (2)			
(c)	Money section regarding money taken on a business trip? (2)			

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Total marks: 108

17

# **US120115 ASSESSOR FEEDBACK**

ACTIVITY NUMBER	TOTAL
Activity 1	10
Activity 2	15
Activity 3	14
Activity 4	6
Activity 5	5
Activity 6	13
Activity 7	45
TOTAL MARKS	108

TOTAL	/108
PERCENTAGE	

	NVC	
	NYC	

# **ASSESSOR DETAIL**

Assessor name and surname:
Assessor signature:
Date:
Comments:

# **MODERATOR DETAIL**

Moderator name and surname:
Moderator signature:
Date:
Comments:

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**Designed for:** Santam staff and intermediaries

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**Author:** Learning and Development Services (CoE)









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